

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

FIRST-CLASS MAIL PACKAGE SERVICE (FCPS)
SERVICE STANDARD CHANGES, 2021

Docket No. N2021-2

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS HAGENSTEIN TO
THE PUBLIC REPRESENTATIVE'S SECOND SET OF INTERROGATORIES AND
REQUESTS FOR PRODUCTION - PR/USPS-T1-9 - 10**
(July 23, 2021)

The United States Postal Service hereby responds the Public Representative's Second Set of Interrogatories and Requests for Production to United States Postal Service Witness Stephen B. Hagenstein, issued on July 16, 2021. Each question is stated verbatim and followed by the response. The questions have been renumbered, however, to pick up the sequence from the earlier set of questions to this witness posed by the Public Representative.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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PR/USPS-T1-9. Please refer to USPS-T-1 at 4, lines 14-22 and at 5, lines 1-2. Witness Hagenstein states that “the proposed service standard change supports the transition of the Network Distribution Centers (NDCs) to Regional Distribution Centers (RDCs), dedicated to package processing as outlined in the 10-year Plan, Delivering for America.”¹ Witness Hagenstein then states that after the “coast-to-coast First-Class surface network is established, the current NDC-to-NDC network will be consolidated into the preferential surface network. This consolidation is estimated to reduce between 14 and 28 percent of the current inter-NDC trips and between 6 and 8 percent of the intra-NDC trips.”

- a. Please explain the time line for the transition from NDCs to RDCs and the annual estimated cost savings.
- b. Please explain how this time line fits into your projected 14 to 28 percent reduction in Inter-NDC network trips and a 6 to 8 percent reduction in Intra-NDC network trips.

RESPONSE:

9.a. The timeline for transitioning from NDCs to RDCs is in development. The cost savings analysis and estimates are also still under development.

9.b. The timeline for consolidating the two surface networks is not yet established.

¹ See United States Postal Service, Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence, March 23, 2021 (Postal Service's Strategic Plan), at 3, available at, https://about.usps.com/what/strategic-plans/delivering-for-america/assets/USPS_Delivering-For-America.pdf.

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PR/USPS-T1-10. Please see Attachment, filed under seal.

RESPONSE:

10. Please see the response filed under seal as part of USPS-LR-N2021-2-NP12.